

Masthope Mountain Community

Board of Directors Meeting

February 23, 2019

Transcriber: Kelli Myers
Beach House

8:36 AM Meeting called to order and Pledge of Allegiance said.

Roll Call: Present –Foster McCoy, Bruno DeVinck, Jim Fox, Anthony Falcone, Eugene Principe, Peter Torchio and Gerhard Buhler.

Absent: Dan Clark and Ed McClary

Teleconference: Michele Torre and Rich Neidkowski

Bruno asked for approval of the agenda. Peter would like to add accessory structures to old business. Gerhard would like to add the Capital Reserve Plan to new business.

Bruno asked for the Approval of the Minutes from the January 26th, 2019 Board of Directors Meeting and the February 2nd Budget Board Meeting. The Minutes were approved unanimously.

Treasurer's Report- for period ending January 31, 2019. Gerhard Buhler-see attached.

Eugene stated that the Marketplace's losses are climbing. Randy stated that he will address this in his manager's report.

Treasurer's Report was approved unanimously.

Correspondence Report-Foster stated that there was no correspondence that he saw.

Foster called for Committee Reports

- a. Ski & ATV-Sheldon stated that he has received over 30 calls for the ATV safety class. It will take place in July. Randy reported that it has been a busy week. The mountain is in good shape. The ski staff discovered some new springs on the mountain that they will have to deal with after ski season. There are storms expected.
- b. Audit-Maria Porter-no report.
- c. Strategic Plan-Rose Perrotti-The Committee is meeting this morning. They will be reviewing some of the proposed survey questions. They have not started Survey Monkey. They are waiting until the Committee has all the survey questions in place. The Committee is looking into possibly purchasing a portable ice rink. They have been discussing this with Randy and Tom. Anthony Falcone is considering joining the Strategic Planning Committee. Bruno explained that with the GMM mailing, there was a form to update property owners information that may have changed over the years.

- d. ECC-Peter Torchio-The month has been slow. There have been three new building permits granted.
- e. Westcolang Lake Association- Gerhard Buhler-The next meeting is in April.
- f. Documents-Gerhard Buhler-The Committee put out a draft of the proposed Covenants and distributed it to the Board in the last meeting. The Board received three documents: a letter to the Board, Covenants draft, and a list of items removed from Covenants and an explanation as to where they should be placed (Bylaws or Handbook) in the last meeting. We are looking for questions from the Board on the proposed Covenants. A great deal of work and time has gone into this document. Carl Harrison added that it has been a work in progress for the past seven years. Bruno calls for any discussion on the proposed Covenants. There were no questions from the Board. A motion will be drafted to vote on the distribution of the document and to start the planning for a membership vote. Michele compliments the Committee on all their hard and fine work on this document. She continues that they created a document that was clear to understand. Gerhard added that the Board had a month to digest it and there is a timeline for the membership to read and comment on the proposed document. Discussion ensued about the timeline in place to distribute the document.
- g. Fire Prevention-Jim Fox-Everything is frozen.
- h. Beautification-Leatrice Langer-The Committee has been on a brief hiatus. They will begin to meet and discuss the replanting at the four corners. They have had no luck with the deer. The deer continued to eat their plantings.
- i. Ski RFI/RFP-Foster McCoy-The next season's bridge contract is at the attorney's for review.
- j. Pass Policy Review-Gerhard Buhler-The Committee has created a handout for the Board to review, and almost all Committee members were present in the audience today to answer questions. The Committee has looked at all angles of our pass policies from owners, guests, legal entities and renters. They had a crossover meeting with the Amenity Committee, since the passes are used to access the amenities. The Committee has done a tremendous amount of research. They acquired a lot of data to analyze from how many passes properties have, how many passes are used per property and which type of passes are used at the amenities. They sent the report to Alan Young to see if there was anything that would raise concern. There is a tremendous crossover into the Amenities Committee. The amenities may need to be managed differently than they currently are. The Board has heard about the overcrowding of amenities, which needs to be addressed. The Committee wanted to hand out the report to the Board today. This would give the Board ample time to review and then ask questions at the next Board meeting. Michele asks Gerhard to send her a copy. Bruno commends the Committee for the tremendous amount of work they have done. Gerhard adds that townhalls will be scheduled to get this information in front of the membership.
- k. Amenities-Anthony Falcone-The Committee is meeting with Strategic Planning Committee today. There is overlapping between the two committees. Bruno reminds everyone that the Strategic Planning Committee meeting is open to the membership.

President's Report-Foster McCoy-Nothing to report.

Manager's Report-Randy Schmalzle-see attached.

Bruno asked for an update on the fiber optics from LHTC. Ron Schmalzle answered that they recently met with a member from LHTC. The company is investing \$1.3 million in fiber. 90% of Masthope will have access to fiber within 3-4 months. The struggle is getting the NY signal into the system to get the local channels. They will be offering digital television packages which will give Blue Ridge Communications some competition. Fiber is more reliable. It has the same upload speed as download speed. LHTC is a small and honorable company to deal with. They are waiting for their trunk to get connected. Once it is connected the speeds will be comparable to that of the cities.

Bruno compliments the Summit on pricing, food quality and the great service from the staff.

Gerhard explained that there has been discussion about the benefits of expanding the Marketplace and the office. Renovations and expansions are very costly. These thoughts were discussed within the Pass Policy Review Committee. (Inaudible) Randy stated that he could get some figures for an office expansion. Randy agreed that construction is very costly.

Old Business:

Peter asks for guidance regarding accessory structures in the community. There are some greenhouses that are being constructed that appear temporary in nature. They are not professionally constructed. The Property Owners Handbook states no temporary structures shall be habitable. He would like the wording in the handbook to be changed to be more specific. He recommends that he addresses this with the Document Committee. Should an accessory structure just be defined as a garage or shed? Eugene added that property owners are constructing greenhouses, so the deer won't eat the plants. Jim added that some greenhouses that were constructed were nice while others looked like garbage. Anthony asked how do you decided which is nice or not. Jim answered that there should be guidelines created for greenhouses. Jim continued that property owners should submit plans to the office for ECC to approve. Anthony asked what language would you use to distinguish what is allowed. Bruno answered that the Committee would have to quantify it. The ECC Committee will have to meet and come up with guidelines for greenhouses and submit it to the Board for approval.

New Business:

Bruno explains that a property owner had a broken water meter and was not getting water to the house. They were concerned about Aqua's lack of response. He was told that it was not an emergency. He would like to know what is Aqua's emergency policy. Randy said he would look into it but 95% of the time the water problems are the property owners and not Aqua's. Eugene added that a lot of time the water meter freezes and then when it thaws it cracks the back plate.

Gerhard presented the Board with the revision to the Capital Reserve Plan. The original plan was created in 2017. There were inconsistencies with the plan and By-laws. This revision

simplifies the Reserve Plan. He would like the Board to review it and then discuss it at the next Boarding Meeting. Bruno compliments Gerhard again for his hard work and dedication. He creates amazing documents.

Property Owners' Time:

Mary Apuzzo 919CF-During ski season, she cannot use the handicap parking spaces. They are all occupied. She feels that the spaces are being occupied by individuals that are not handicapped. Randy will have Public Safety monitor this. He doesn't feel that there is too much they can do if they have a tag in the vehicle. She explained that the telephone companies can transfer numbers. Her business did it years ago.

Jerry Ferraiuolo 861RF-Normally the grooming of the mountain is great. He felt that yesterday it was not groomed. Ron Schmalzle answered that they groom every day. He added that conditions were not good yesterday. Ron explained that this time of year the snow turns granular. He asked Jerry what time he was skiing. Jerry answered about one o'clock. Ron suggested that he should come out earlier for better conditions.

John Grandy 6CM-He asks for the deer cull results. Randy reported that 19 deer were harvested. It was a late start in the season. John asked if an attached garage is considered an accessory structure or part of the house. Peter answered that the attached garage is part of the house and that a shed would be permitted.

Carl Harrison 22FW-Regarding impervious surface, would greenhouses take away from drainage areas. Randy explains that it is a cumulative effect. Eugene and Peter explain that the property owner is still only permitted one accessory structure per property. Randy added that it all gets calculated to figure out how much impervious surface is permitted, the house, paved driveway, etc. Randy continued that it is rare for a property to get close to its impervious surface limit.

Herman Matfes 207FW-Are the planters that are off the ground considered an accessory structure? Randy answered that it is a landscape item.

John Schulken 533RF-Asked about opening the bar upstairs in the property owners lounge on busy weekends. Randy stated that he can talk to Joe about it.

Mike Seyfried 157MR-There is an opioid crisis in America. Pennsylvania and Florida are the leading two states with this opioid addiction. Fentanyl is a synthetic opioid that is five times stronger than heroin and much cheaper. A long-time property owner just passed away due to this drug. It was sold to him by a previous property owner. Now they are in jail. What if anything can the Board do to keep this epidemic out of our community? What can the Board do if pot is legalized to avoid usage at any of the amenities? Bruno explained that if it is legalized by the state, the Board would have to consult their attorney. The Board could put restrictions on amenities but could not put restrictions on their private residence. Randy added that there are different laws that do not allow public consumption. It is for private consumption only in certain states. Randy continued that there is a drug problem in Masthope. Public Safety chased out many problem homes. Public Safety does a good job figuring out the trouble homes. They will harass everyone coming and going to that house until they eventually move

out. It is awful to say; however it works. We are diligent about it. If marijuana does become legalized, we will consult our legal counsel and see how that affects Masthope. Bruno confirms that Public Safety is diligent, and they do a good job. Randy added that State Police asked our Public Safety for any information that they had on one house. It was a big drug bust that occurred and Public Safety was a big help in this matter.

Jerry Ferraiuolo 861RF-Regarding the Marketplace and its perishables, he stated that all of the milk in the cooler was 2-3 days away from its expiration date. He would not purchase an item that is 2-3 days away from expiring. Has the Market looked into purchasing organic milk? It is more expensive but has a longer shelf life. Randy answered no that we have not looked into organic products. Milk and bread are difficult to stock. Milk is one of the most wasted items in the store. Bruno asked if you could tie it into the restaurant. Randy answered that is difficult to do. He continued that when the vegetables are getting to the end of their shelf life, they will cook them and use them for soups and other prepared foods.

Herman Matfes 207FW-His friend orders his groceries and has them delivered. Maybe have people order ahead of time and then they can pick up their order from the Marketplace and take it home. Randy answered that it was attempted about 5 years ago. It never really caught on. Another problem with this is that most of the market's deliveries are once a week. The order is placed a week ahead of time. It is something that could be explored again. Randy explained that the "dollar" stores popping up all over hurt our Marketplace. They have much more products and cheaper prices. There are 6 dollar stores on route 434 alone. Discussion ensued.

Sheldon Langer 458MR-Fentanyl is also dangerous to EMS responders. They are warned to be aware of any kind of powder at the scene. It can be absorbed through your skin and be just as harmful.

Mike Seyfried 157MR-Regarding accessory structures, there is a property with a high deck. They can pull their car under their deck. How can that not be considered a car port? Jim explains that it is attached to the house. People want to grow vegetables and a greenhouse is needed early in the season. He does not see a problem with it as long as it is something built professionally. It should not be shrink-wrapped structure.

Jerry Ferraiuolo 861RF-Regarding the drug problem, in New York all police vehicles have a Narcan Pen. Randy responded that Public Safety is getting certified right now.

Joyce Pace 528MR-Over the summer, she purchased Benadryl from the Marketplace then realized it was out of date. She urges shoppers to check the dates on the products before purchasing items. Randy responded that we will be aware of this.

MOTION 01:02:23:19

Whereas the Document Review Committee and Masthope's legal counsel have provided the Board with a new draft of the Declarations

Therefore be it resolved that the Masthope Mountain Community Board of Directors accepts the new draft of the Declarations and moves to start the communication and voting process for the document.

**FIRST: FOSTER MCCOY
SECOND: GERHARD BUHLER
MOTION PASSES: FOR 9, AGAINST 0**

Public Meeting Adjourned 10:06am.
Executive Session began 10:16am.
Executive Session ended 10:30am.
Meeting Adjourned 10:31am.

Treasurer's Report for Period Ending January 31, 2019

Unaudited

Collections - YTD

	Jan 18	Dec 18	Jan 19
Total	2045	2039	2039
Billable	1745	1719	1719
Paid in Full	1605	1607	1619
Percent	92.0%	93.5%	94.2%
Outstanding - Lots	140	112	100
Outstanding - Dues		\$253,945	\$189,900
Total Bad Debt Lots	53	31	31

Unrestricted Income and Expense - YTD

	Jan 18 YTD	Dec 18 YTD	Jan 19 YTD
Revenues to date	\$2,550,290	\$2,611,899	\$2,652,231
Expenses to date	\$2,112,862	\$1,937,213	\$2,147,001
Net Surplus (deficit)	\$437,428	\$674,686	\$505,229
Margin (Net/Revenue)	17.2%	25.8%	19.0%

The Summit - YTD

Revenues to date	\$1,190,039	\$1,083,453	\$1,246,161
Expenses to date	\$1,141,173	\$1,022,660	\$1,196,587
Net Surplus (deficit)	\$48,866	\$60,793	\$49,574
Inventory		\$53,871	\$55,565

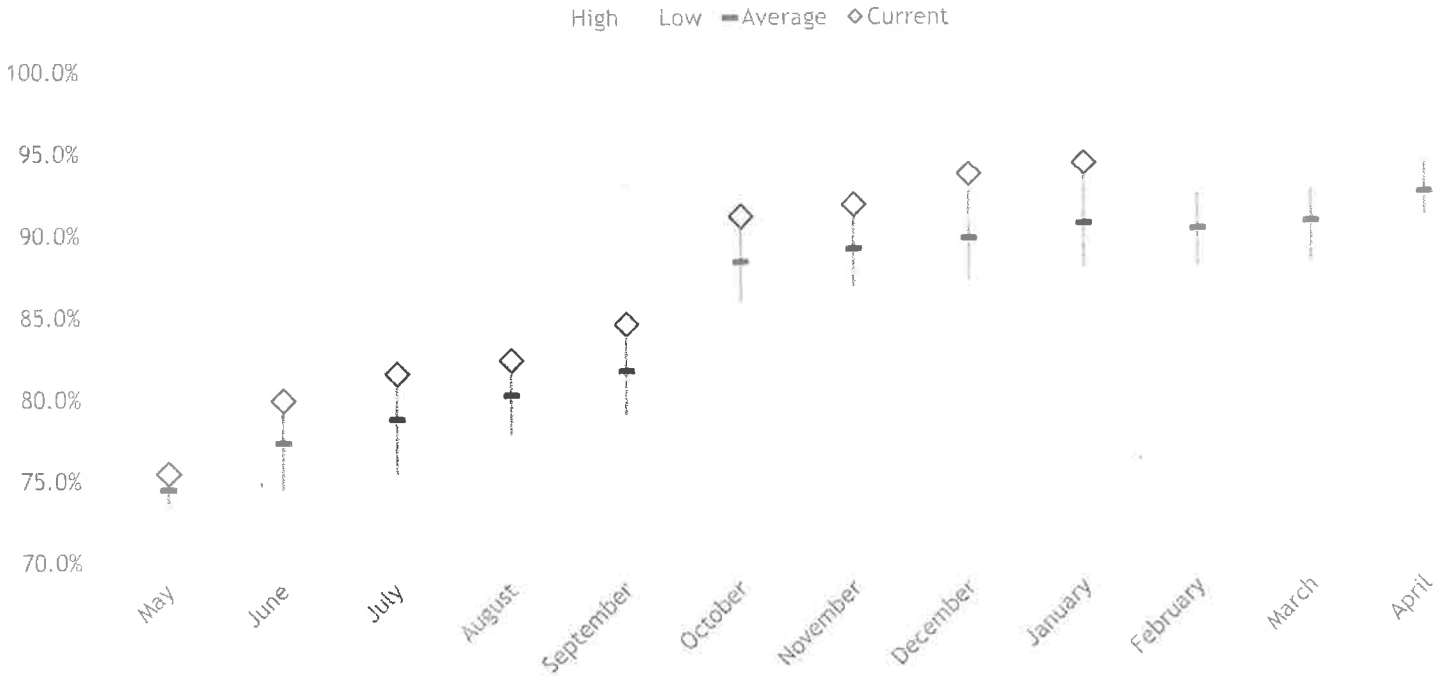
The Market Place - YTD

Revenues to date	\$381,688	\$333,479	\$369,250
Expenses to date	\$413,920	\$375,068	\$418,838
Net Surplus (deficit)	(\$32,231)	(\$41,589)	(\$49,588)
Inventory		\$29,649	\$33,389

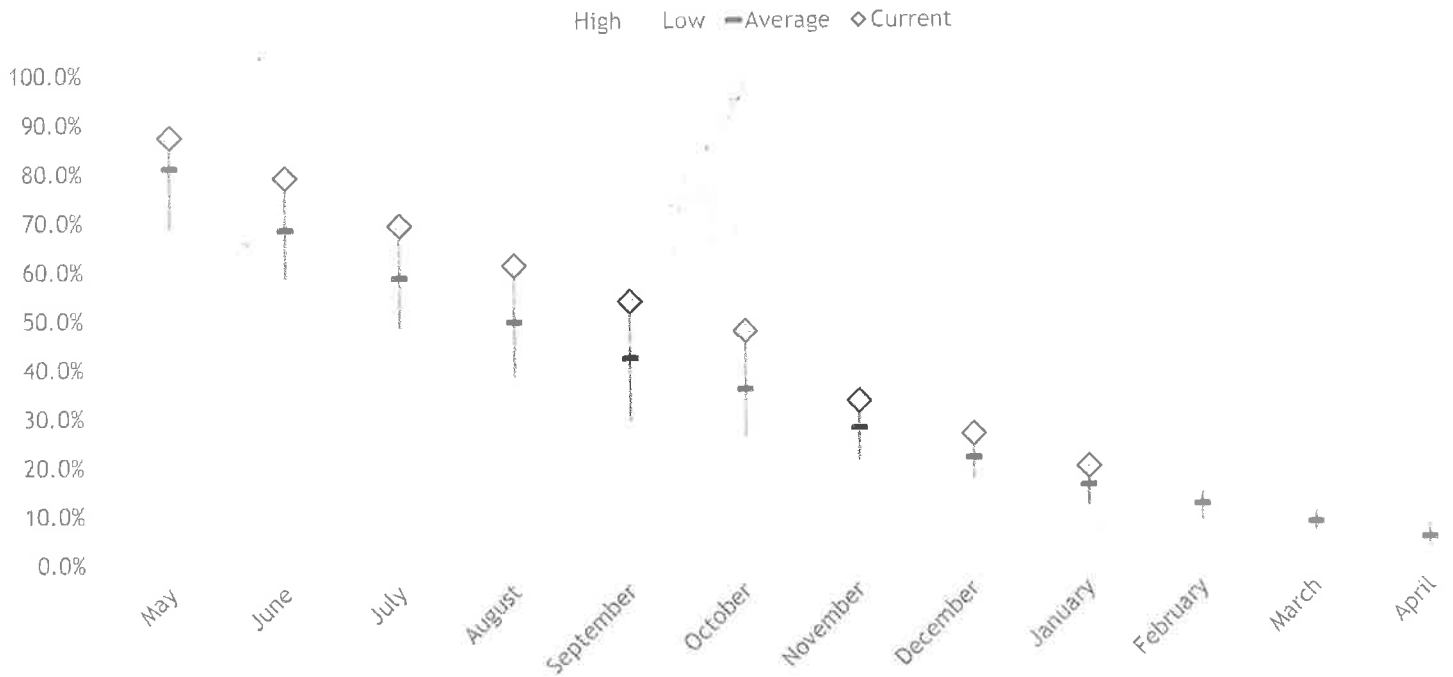
Summit/Market Net Surplus (Deficit)

	\$16,635	\$19,204	(\$15)
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COLLECTION CHART - YTD



OPERATIONS CHART - YTD OPERATING MARGIN



Managers' Report
February 22, 2019

Projects:

1. Top of Mtn – Work continues.
2. Drainage Repair
3. Road work – Shoulder work will be done in spring.

Public Safety

1. New Vehicle has been delivered.
2. Holiday week has been busy.

Maintenance

1. General work continues.
2. Plowing and cindering continues.
3. Spring plans being developed.

Food and Beverage

1. Presidents week has been very busy.
2. Staff continues to perform well.
3. Market Place
 - a. Complete costing inventory has been done. Prices adjusted as needed.
 - b. Plans are underway to remerchandise and update products.
 - c. Research has been done to find new vendors, some success has been made.
 - d. Hourly sales analysis has been done, no changes for the remainder of ski season. Summer operations may have changes.
 - e. Research has been done concerning the sale of beer. Minimum requirements are:
 - i. 30 seats for food service
 - ii. Minimum of 6 food items for sale
 - iii. Separate entrance for Beer customers
 - iv. Separate point of saleThese requirements can not be accomplished in the limited space of the Market.
 - f. Inventory control systems have been enhanced with scanning equipment use for incoming merchandize.

- g. Cash handling procedures have been modified to allow manager better reporting.
- h. Employee discount program and payment have been modified with a new policy for all staff.
- i. Development of possible expansion for seating and food prep area to enhance food products is underway.
- j. Customer service has been addressed and continued training will be monitored.

Administration

1. Collections continue to proceed.
2. There were approximately 90 home rentals this week.
3. Phone system with ability to record calls. Research has been done, to move to this type of technology a web based (IP) system would need to be used.

Considerations.

- a. Current phone charges are approximately \$17,000 annually.
 - b. Initial findings are with new system annual expense could be reduced to \$8,000. Depending on the system used, that rate will vary.
 - c. There is a possibility that existing numbers will be maintained. There has been conflicting information from the existing carrier.
 - d. Depending on the service used, phone hardware could be as little as free and as much as \$400 per phone. Type of phone and services will determine those costs.
4. March membership meeting mailings including the contact/property owner information document. As information is received, files are being updated and communication files have been created.